

(b) *Limitation for cooperative mortgagor.* Only the provisions of subparts A and C of this part apply to a mortgagor of any multifamily housing project described in paragraph (a) of this section if the mortgagor is a cooperative housing corporation or association.

(c) *Definitions.*

*Rent Supplement Program* means the assistance program authorized by section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s).

*Section 8 LMSA Program* means the Section 8 Loan Management Set-Aside Program implemented under 24 CFR part 886, subpart A.

*Section 202 Loans for the Elderly or Handicapped BMIR Program* means the below-market interest rate loan program authorized under section 202 of the Housing Act of 1959, as in effect before August 22, 1974 (12 U.S.C. 1701q).

*Section 221(d)(3) BMIR Program* means the below-market interest rate mortgage insurance program under section 221(d)(3) and the proviso of section 221(d)(5) of the National Housing Act (12 U.S.C. 1715l(d)(3) and 1715l(d)(5)).

[61 FR 57961, Nov. 8, 1996]

**§ 245.15 Notice to tenants.**

(a) Whenever a mortgagor is required under subparts D or E of this part to serve notice on the tenants of a project, the notice must be served by delivery, except, for a high-rise project, the notice may be served either by delivery or by posting. If service is made by delivery, a copy of the notice must be delivered directly to each unit in the project or mailed to each tenant. If service is made by posting, the notice must be posted in at least three conspicuous places within each building in which the affected dwelling units are located and, during any prescribed tenant period, in a conspicuous place at the address stated in the notice where the materials in support of the mortgagor's proposed action are to be made available for inspection and copying. Posted notices must be maintained intact and in legible form during any prescribed notice period.

(b) For purposes of computing time periods following service of notice, service is effected, in the case of service by delivery, when all notices have

been delivered or mailed and, in the case of service by posting, when all notices have been initially posted.

[50 FR 32402, Aug. 12, 1985, as amended at 61 FR 57961, Nov. 8, 1996]

**Subpart B—Tenant Organizations**

**§ 245.105 Organizations and efforts to organize.**

Mortgagors subject to the requirements of this subpart shall not impede the reasonable efforts of resident tenant organizations to represent their members or the reasonable efforts of tenants to organize.

[48 FR 28437, June 22, 1983. Redesignated at 50 FR 32403, Aug. 12, 1985]

**§ 245.110 Meeting space.**

Mortgagors subject to the requirements of this subpart shall not unreasonably withhold the use of any community room or other available space appropriate for meetings which is part of the mortgaged property when requested by:

(i) A resident tenant organization in connection with the representational purposes of such organization; or

(ii) Tenants seeking to organize or to consider collectively any matter pertaining to the operation of the project. The mortgagor may charge for such use such fees or charges approved by the Secretary as may normally be imposed for the use of such facilities or may waive such charges.

[48 FR 28437, June 22, 1983. Redesignated at 50 FR 32403, Aug. 12, 1985]

**Subpart C—Efforts To Obtain Assistance**

**§ 245.205 Efforts to obtain assistance.**

(a) Mortgagors subject to the requirements of this subpart shall not interfere with the efforts of tenants to obtain rent subsidies or other public assistance.

(b) A mortgagor subject to the requirements of this subpart who is a party to a rent supplement contract under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s), a rental assistance payments contract under part 236, subpart

## § 245.210

D, of this chapter, or a Housing Assistance Payments Contract under 24 CFR part 886 shall not refuse to make assistance under such contract available to an existing tenant who is eligible therefor, provided that sufficient contract and budget authority and contract units are available under the contract. However, this provision shall not be deemed to require the mortgagor to give priority in the allocation of any such available assistance to an existing tenant instead of an eligible applicant on the mortgagor's waiting list or otherwise to supersede tenant selection procedures which are not otherwise inconsistent with applicable program regulation or instructions.

(c) Subject to the provisions of any contract made in connection with the purchase of a multifamily housing project owned by the Secretary, this section shall not be deemed to require a mortgagor subject to the requirement of this subpart to enter into a Housing Assistance Payments Contract pursuant to 24 CFR part 982 for the benefit of an existing tenant who obtains a Certificate of Family Participation.

[48 FR 28437, June 22, 1983. Redesignated at 50 FR 32403, Aug. 12, 1985, as amended at 61 FR 57961, Nov. 8, 1996]

## § 245.210 Availability of information.

A mortgagor subject to the requirements of this subpart shall make available to tenants any information concerning rent subsidies or other public assistance that is prepared and distributed by HUD to the project for the purpose of distribution to tenants.

[48 FR 28437, June 22, 1983. Redesignated at 50 FR 32403, Aug. 12, 1985]

## 24 CFR Ch. II (4-1-00 Edition)

### Subpart D—Procedures for Requesting Approval of an Increase in Maximum Permissible Rents

SOURCE: 50 FR 32403, Aug. 12, 1985, unless otherwise noted.

#### § 245.305 Applicability of subpart.

(a) The requirements of this subpart apply to any request by a mortgagor, as provided by § 245.10, for HUD approval of an increase in maximum permissible rents.

(b) For purposes of this subpart, an increase in utility charges paid directly by the tenant does not constitute an increase in rents.

#### § 245.310 Notice to tenants.

(a) At least 30 days before submitting a request to HUD for approval of an increase in maximum permissible rents, the mortgagor must notify the tenants of the proposed rent increase. Copies of the notice must be served on the tenants as provided in § 245.15. The notice must contain the following information in the following format or an equivalent format:

NOTICE TO TENANTS OF INTENTION TO SUBMIT  
A REQUEST TO HUD FOR APPROVAL OF AN INCREASE IN MAXIMUM PERMISSIBLE RENTS

#### Date of Notice

Take notice that on [date] we plan to submit a request for approval of an increase in the maximum permissible rents for [name of apartment complex] to the United States Department of Housing and Urban Development (HUD). The proposed increase is needed for the following reasons:

- 1.
- 2.
- 3.

The rent increases for which we have requested approval are:

Bedrooms	Present rent <sup>1</sup>		Proposed increase <sup>1</sup>		Proposed rent <sup>1</sup>	
	Basic	Market	Basic	Market	Basic	Market
5 .....	\$ .....	\$ .....	\$ .....	\$ .....	.....	\$ .....
0 .....	.....	.....	.....	.....	.....	.....
1 .....	.....	.....	.....	.....	.....	.....
2 .....	.....	.....	.....	.....	.....	.....
3 .....	.....	.....	.....	.....	.....	.....
4 .....	.....	.....	.....	.....	.....	.....

<sup>1</sup> Separate columns for basic and market rent should be used only for projects assisted under sec. 236 of the National Housing Act. In addition, in projects with more than 1 type of apartment having the same number of bedroom but different rents, each type should be listed separately.